

ON-LINE CONTINUING EDUCATION ACT

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Senate Bill 167 (Substitute S-2 as passed by the Senate

Sponsor: Sen. Michelle A. McManus

House Committee: Regulatory Reform

Senate Committee: Economic Development, Small Business and Regulatory Affairs

First Analysis (6-20-05)

BRIEF SUMMARY: The bill would create a new act to require at least one-half of continuing education credits – which are required for some occupational license renewals – to be earned through an on-line or electronic media.

FISCAL IMPACT: Although this bill requires each occupational license category to allow at least half of the required continuing education courses to be earned on-line, it should not increase the number of licensees for a department to monitor. Therefore, there is no fiscal impact on the State of Michigan or its local units of government.

THE APPARENT PROBLEM:

Most licensing boards and state agencies with oversight of occupational or professional licenses require the completion of continuing education credits as a condition of license or registration renewal. Often licensees must travel to cities hosting approved seminars and conferences in order to earn the credits. Besides the cost to attend the conference or seminar, which can run hundreds of dollars for the registration fee, licensees also encounter costs associated with travel such as hotel stays, meals, and gasoline or plane or bus fare. Single parents may have additional fees for child care services. Thus, for some, attending enough seminars and conferences to earn the required amount of continuing education credits is not only inconvenient, but also expensive.

Some professions have begun to address the situation by allowing all or a portion of the required continuing education credits to be earned by taking classes on the Internet or via teleconferencing. In this way, licensees and registrants can complete many credits at home or close by. It has been suggested that legislation be adopted to require those entities with authority to grant license and registration renewals to allow at least half of the mandated continuing education credits to be earned online or through other electronic media.

THE CONTENT OF THE BILL:

The bill would create a new act under which occupational regulatory agencies would have to allow, to the extent practicable, at least one-half of required continuing education credits to be earned through an on-line or electronic media that met standards acceptable to the agency. The new act would be called the On-Line Continuing Education Act.

This requirement would not apply if a specific act or existing rule concerning a regulated occupation provided otherwise. It also would not apply to continuing education or training offered as part of licensure, registration, certification, or accreditation programs that must be approved by an agency of the federal government.

If a regulatory agency did not allow at least one-half of continuing education credits to be earned on-line or by electronic media, the director [of the department housing the agency] would have to notify the committees in the House and Senate with oversight over occupational licensing in writing and explain why it is not practicable.

The term "occupational regulatory agency" would mean a department, bureau, or agency of the state with regulatory authority over a regulated occupation. "Regulated occupation" would mean an occupation, profession, or vocation that requires a license, certificate, registration, or accreditation as a predicate for the practice of the occupation, profession, or vocation or that provides for the use of a specific title or professional designation in its practice. "Continuing education" would mean instructional courses designed to bring participants up to date on a particular area of knowledge or skills.

Except as otherwise provided by law, an occupational regulatory agency could promulgate rules or amend existing rules under the Administrative Procedures Act to implement the new act.

The bill would take effect July 1, 2007.

HOUSE COMMITTEE ACTION:

The bill was reported from committee in the same version as it was passed by the Senate.

ARGUMENTS:

For:

Completing the required amount of continuing education credits in order to renew an occupational or professional license or registration can be an expensive and time-consuming endeavor. Besides the actual cost to register for the seminar or conference, attendees, especially those who live in rural areas, often must travel out of town which results in additional travel, hotel, and meal expenses. Thus, by requiring at least half of the continuing education credits to be earned by taking online courses, the cost to licensees (or employers who reimburse their employees' expenses) to complete the necessary credits will be reduced – as well as reduce time spent away from work and families.

Technology has advanced so that many seminars can be successfully offered through a distance learning format, e.g., over the Internet, at regional sites via teleconferencing, and even on DVD or videotape. In recent years, the Department of Labor and Economic Growth (DLEG), in conjunction with licensing boards, has approved certain online

offerings for occupations regulated by the Michigan Occupational Code with great success.

The bill, as far as requiring at least half of the required continuing education credits to be allowed to be earned online or through another electronic media, would only apply to those occupations which did not yet have a continuing education component for license renewals and for occupations and professions that enact a regulatory framework in the future to require licensure or registration. (Currently regulated professions and occupations are exempted if their regulating statute or departmental rules already specify the manner in which continuing education credits are to be earned, as well as an occupation that needs federal approval for its licensing, etc., programs.)

Regulatory entities would have the same authority to approve online or other electronic media courses as they do in approving face-to-face meetings. If a regulatory entity believed that earning half of the credits online was not practicable, e.g., certain health care professions in which hands-on clinical experience would be more appropriate, the entity would be exempted from the requirement by writing the legislature and explaining why that was so. Lastly, the bill would authorize (and thereby encourage) all occupational regulatory agencies to create new rules or amend existing rules governing continuing education credits through the Administrative Procedures Act.

For:

Due to time constraints and/or the expenses involved in attending seminars and conferences, some licensees and registrants wait until the last minute, so to speak, to obtain the necessary credits for license or registration renewal. As a result, they must take any approved courses being offered at that time regardless of whether the course relates to their job duties. By requiring a licensing entity to allow at least half of the credits to be earned online, licensees are more likely to choose courses that directly relate to their jobs, and thus enhance their professional knowledge.

Against:

The bill is not needed. Most, if not all, of the occupations and professions regulated under the occupational code already allow continuing education credits to be earned through approved online courses. And, state agencies already have the authority to adopt or amend rules, if needed, to allow licensees and registrants to take online courses. In fact, by requiring that at least half of the credits be allowed to be earned online or electronically, it could have an inadvertent chilling effect on those agencies considering a smaller amount, say one-fourth or one-third of the credits, as it may be easier to write a letter saying that it isn't practicable to do it at all rather than practicable only for a lesser amount of credits.

Furthermore, the statutes that govern professional and occupational licenses and registrations give the authority to design license renewal criteria to the licensing boards and state agencies having oversight of those occupations. The bill would depart from this historical approach and would instead allow the legislature to dictate to the boards and regulatory agencies how to regulate their license renewals.

POSITIONS:

The Department of Labor and Economic Growth supports the bill. (6-20-05)

The Michigan Association of Realtors indicated support for the bill. (6-14-05)

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■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.